

*Waxman*

AMENDMENT OFFERED BY MR. ~~BRADY~~

**TO THE MEDICAID RECONCILIATION PROVISIONS**

Page 42, after line 11, insert the following (and redesignate the succeeding subsections accordingly):

“(b) DEEMED COMPLIANCE.-- Section 1903(m) is amended by adding at the end the following:

“(10) DEEMED COMPLIANCE AT THE OPTION OF THE STATE.--

“(A) MEDICARE ORGANIZATIONS.-- The requirements of the previous provisions of this subsection shall not apply with respect to a health maintenance organization if the organization is an eligible organization with a contract in effect under section 1876 or a medicare plus organization with a contract in effect under part C of title XVIII.

“(B) PRIVATE ACCREDITATION.--

“(i) IN GENERAL.-- Such requirements shall not apply with respect to a health maintenance organization if --

“(I) the organization is accredited by an organization meeting the requirements described in subparagraph (C)); and

“(II) the standards and process under which the organization is accredited meet such requirements as are established under clause (ii), without regard to whether or not the time requirement of such clause is satisfied.

“(ii) STANDARDS AND PROCESS.-- Not later than 180 days after the date of the enactment of this paragraph, the Secretary shall specify requirements for the standards and process under which a health maintenance organization is accredited by an organization meeting the requirements of subparagraph (C).

“(C) ACCREDITING ORGANIZATION.-- An accrediting organization meets the requirements of this subparagraph if the organization --

“(i) is a private, nonprofit organization;

“(ii) exists for the primary purpose of accrediting managed care organizations or health care providers; and

“(iii) is independent of health care providers or associations of health care providers.